

STATE OF MICHIGAN  
MICHIGAN GAMING CONTROL BOARD

PUBLIC MEETING  
Cadillac Place  
3062 W. Grand Blvd., Suite L-700  
Detroit, Michigan

TUESDAY, May 11, 2004  
6:00 P.M.

**MINUTES**

On Tuesday, May 11, 2004, the Michigan Gaming Control Board held a public meeting at the Board office in the Cadillac Place, 3062 W. Grand Blvd, Suite L-700, Detroit, Michigan.

**Present:** In attendance were the following Board members:

Damian Kassab, Chairman  
Judge Benjamin Friedman  
Judge Michael Stacey  
Donald Robinson  
Barbara Rom

Also attending were:

Daniel Gustafson  
Patty James  
D/F/Lt. Vicki Johnson  
Ben McMakin  
Tom Barker  
John Page  
Jack Cahill  
Bethany Scheib

**Business:** Board Chairman Damian Kassab called the meeting to order at 6:04 p.m. Chairman Kassab noted that for the first time in several months, there were all five Board members in attendance. Chairman Kassab continued by introducing the two new Board members, Donald Robinson and Barbara Rom.

Chairman Kassab stated that the Board members have received copies of the minutes from the April 13, 2004 Board meeting and there being no comments, changes or corrections to the minutes, he requested a motion to approve the minutes from the April 13, 2004 meeting.

It was moved and seconded that the minutes of the April 13, 2004 meeting be approved. Motion carried.

Dan Gustafson next presented the Executive Director's report. In regards to staffing Mr. Gustafson advised the Board that Eric Henne was hired as an

engineer in the Board's Enforcement Division, Gaming Lab Section. Mr. Gustafson also advised that Janet Sudac, the Board's receptionist, was recently hired to fill the secretary position vacated by Wendy Walser in the Casino and Service Industry Section. Mr. Gustafson further advised the Board that the MGCB staff now total 95 with 7 authorized positions yet to be filled. He also noted that the Board is in the process of interviewing and hiring for these 7 positions.

Mr. Gustafson proceeded to give an update regarding the Board's budget. Mr. Gustafson reported that for the fiscal year 2004, from October 1, 2003 through April 30, 2004, the Board has incurred expenditures in the amount of \$6,667,738, leaving the unexpended balance of \$10,661,000 in appropriated funding for FY 2004.

Mr. Gustafson next reported that the aggregate revenue in taxes for all three Detroit casinos was up 21.12 percent compared to the same month last year. The gaming taxes for the three Detroit casinos for April 2004 were \$9.077 million compared to \$7.494 million for the same period last year.

Mr. Gustafson then proceeded to update the Board on the status of the issuance of temporary supplier licenses, full supplier licenses, vendor registrations, and supplier licensing exemptions, as well as the status of the issuance of temporary and permanent occupational licenses for the three casinos.

Upon conclusion of Mr. Gustafson's report the Board considered the Licensing Division staff's recommendations regarding 151 pending Level 1 and Level 2 occupational license applications. Staff recommended issuance of 150 and denial of 1 license applications for reasons specified in the related background investigative reports and Exhibit 1.

It was moved by Mr. Robinson and seconded by Judge Stacey that the Board enter an order accepting and adopting the Licensing Division staff's recommendations regarding the 151 Level 1 and Level 2 occupational license applications as summarized in Exhibit 1, and directing that the Executive Director issue occupational licenses or notices of denial to the named applicants in accordance with the staff's written recommendations. The following roll call vote was then taken on the motion:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The next agenda item was to consider Greektown Casino's request for modification to the Board's order limiting member distributions.

Chairman Kassab invited Mr. Ben McMakin, Deputy Director of the Licensing Division to give a brief overview of the issue.

Upon conclusion of Mr. McMakin's summary, comments from Mr. Michael Atkins, Counsel for Greektown Casino, and Mr. Peter Wiepert, representative from Grant Thornton, it was moved by Judge Friedman and seconded by Ms. Rom that the Board accept and adopt the proposed order granting Greektown Casino's request for a modification to the February 10, 2004, Board order limiting member distributions. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The next agenda item for consideration was the pending application for approval of transfer of interest in supplier licensee Casino Credit Services, L.L.C. from FDFS Holding, Inc. to M&C International, Inc., Board File No. SL-002244-04-001.

There being no questions from the Board members, it was moved by Ms. Rom and seconded by Judge Stacey that the Board enter an order approving the proposed transfer of 100 percent ownership interest in Casino Credit Services, L.L.C. from FDFS Holding, Inc. to M&C International, Inc., and all required qualifiers under the supplier licensing requirements of the Act and Rules of the Board, and the full compliance of M&C International, Inc. with the requirements of Part 5 of the Administrative Rules of the Board. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The Board next considered the Executive Director's Report and the Licensing Division staff's recommendation regarding the eligibility and suitability of Mr. Rick Smith as a required key person/qualifier of supplier licensee Mikohn Gaming Corporation.

Chairman Kassab noted for the record that neither Mr. Smith nor a representative from Mikohn Gaming Corporation were present at the meeting.

It was moved by Mr. Robinson and seconded by Judge Stacey that the Board enter an order finding Rick Lee Smith eligible and suitable as a required qualifier of supplier licensee Mikohn Gaming Corporation under the licensing standards and requirements of the Michigan Gaming Control and Revenue Act, as amended, and Administrative Rules of the Board, based upon the background investigation report and recommendation of the Executive Director and the Board's Licensing Division staff. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The next item on the agenda was the consideration of the Executive Director's Report and Licensing Division staff's recommendation regarding the pending supplier license of Terry's Enchanted Gardens, Inc.

Chairman Kassab noted for the record that Board staff was present to answer any questions the Board members may have regarding the next several agenda items. He also noted for the record that there were no representatives present from any of the next three supplier license applications that were being considered by the Board.

It was moved by Judge Stacey and seconded by Judge Friedman that the Board enter an order finding and concluding that Terry's Enchanted Gardens, Inc. and its qualifiers are eligible and suitable for licensure under the licensing standards of the Act and Rules of the Board, and accordingly granting the nongaming-related supplier license of Terry's Enchanted Gardens, Inc., based upon the background investigation report and recommendation of the Executive Director and the Board's Licensing Division staff. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The Board next considered the pending nongaming-related supplier license renewal application of Jack Grenier Production, Inc.

There being no questions from Board members, it was moved by Ms. Rom and seconded by Mr. Robinson that the Board enter an order finding and concluding that Jack Grenier Production, Inc. and its qualifiers are eligible and suitable for licensure under the licensing standards and requirements of the Act and Rules of the Board, and accordingly grant the request of Jack Grenier Production, Inc., for renewal of its annual nongaming-related supplier license for a new one-year period beginning May 11, 2004, based upon the background investigation report and recommendation of the Executive Director and the Board's Licensing Division staff. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The Board next considered the pending nongaming-related supplier license renewal application of Custom Beverage, Inc.

Again, there were no questions from Board members. Therefore, it was moved by Mr. Robinson and seconded by Judge Stacey that the Board enter an order finding and concluding that Custom Beverage, Inc. and its qualifiers are eligible and suitable for licensure under the licensing standards and requirements of the Michigan Gaming Control and Revenue Act, as amended, and Administrative Rules of the Board, and accordingly granting the request of Custom Beverage, Inc. for renewal of its annual nongaming-related supplier license for a new one-year period beginning May 11, 2004, based upon the background investigation report and recommendation of the Executive Director and the Board's Licensing Division staff. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The next item for consideration was the matter of the denial of Omar T. Parks' application for an occupational license.

Chairman Kassab noted Assistant Attorney General Bethany Scheib's presence and invited her to speak to the Board. Chairman Kassab also noted for the record that Mr. Parks was not present at the meeting.

Upon conclusion of Ms. Scheib's comments it was moved by Judge Stacey and seconded by Judge Friedman that the Board enter a final decision and order in the matter of the denial of Omar T. Parks' application for an occupational license, Board File No. OLH-2003-04, accepting, adopting and incorporating the Hearing Officer's Proposal for Decision in the matter in its entirety, and denying the occupational license for which Omar T. Parks made application. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The Board next considered the Proposal for Decision in the matter of the denial of Azhar Youla's application for an occupational license.

Chairman Kassab once again recognized Ms. Scheib's presence and further

noted for the record that Ms. Azhar Youla was present at the meeting.

After a brief summary of the case by Ms. Scheib and comments from Ms. Youla and Warren Lamb, Board Regulation Officer, it was moved by Judge Friedman and seconded by Judge Stacey that the Board enter a final decision and order in the matter of the denial of Azhar Youla's application for an occupational license, Board File No. OLH-2003-07, accepting, adopting and incorporating the Hearing Officer's Proposal for Decision in the matter in its entirety, and denying the occupational license for which Azhar Youla made application. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

The next agenda item for consideration was the matter of the denial of Dennis R. Parks' application for an occupational license, Board File No. OLH-2003-09.

Chairman Kassab noted for the record that Mr. Parks was not present at the meeting. Also, Chairman Kassab once again asked Ms. Scheib to give a brief background summary of Mr. Parks' application.

Upon conclusion of Ms. Scheib's summary and after questions from Board members were answered, it was moved by Ms. Rom and seconded by Judge Stacey that the Board enter a final decision and order in the matter of the denial of Dennis R. Parks' application for an occupational license, Board File No. OLH-2003-09, accepting, adopting and incorporating the Hearing Officer's Proposal for Decision in the matter in its entirety, and denying the occupational license for which Dennis R. Parks made application. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye
Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

Next it was moved by Judge Stacey and seconded by Judge Friedman that the Board go into closed session immediately following the conclusion of the public meeting for the purpose of receiving legal advice and counsel from the Board's attorney regarding pending Board litigation, and receiving confidential notification from the Executive Director regarding the names of individuals placed on the Board's Disassociated Persons List since the Board's last public meeting as required by the Act. The following roll call vote was taken:

Chairman Kassab:	Aye
Judge Friedman:	Aye

Donald Robinson:	Aye
Barbara Rom:	Aye
Judge Stacey:	Aye

Motion carried.

There being no questions or comments from the public, the meeting was adjourned by Chairman Kassab, at 7:10 p.m.

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Patricia S. James  
Board Secretary